

SENATE BILL 1635
By Harper

AN ACT to amend Tennessee Code Annotated, Title 71, Chapter 3, relative to incentive pay for childcare providers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 3, Part 5, is amended by adding sections 2 through 4 of this act as new, appropriately designated sections.

SECTION 2. The Tennessee general assembly recognizes that critical elements of brain formation in the first few years of life require external stimulation and that active nurturing and stimulation are necessary for full cognitive, physical, emotional and social development in children. These early childhood developments for children strengthen their future abilities to learn and become knowledgeable, sociable, creative, contributing and productive members of society. The most essential component of high-quality childcare is the quality of the caregiver. Childcare workers are poorly paid, turnover is rampant, and career ladders are nonexistent.

SECTION 3. The department shall establish a career ladder wage incentive program for childcare providers. The program shall consist of a graduated hourly wage scale based upon the care providers' relevant education, job responsibilities and years of experience in the industry. The scale developed by the department shall serve as a minimum wage guideline for any childcare agency subject to this part. Any childcare agency subject to this part, shall

compensate its childcare providers in accordance with the career ladder incentives established by the department and shall not pay care providers less than the department guidelines. The department shall periodically review the career ladder guidelines and adjust such guidelines in accordance with market standards.

SECTION 4. Childcare agencies may apply for a professionalization and retention subsidy of up to one dollar (\$1.00) per hour per childcare provider if the agency agrees to pay wages to all its childcare workers not less than the career ladder's designated salary for a worker with that level of education and experience. A contractor may not receive more than twenty thousand dollars (\$20,000) per year in professionalization and retention incentives.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.